## TESTIMONY PRESENTED TO THE GOVERNMENT ADMINISTRATION & ELECTIONS COMMITTEE March 16, 2009\_\_\_\_\_

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## **Testimony Supporting**

House No. 6372

## AN ACT CONCERNING STATE LANDS

Senator Slossberg, Representative Spallone and distinguished members of the Government Administration and Elections Committee, thank you for the opportunity to offer testimony in support of Governor's Bill No. 6372 - An Act Concerning State Lands.

The purpose of the bill is to allow the state to more effectively and efficiently dispose of its surplus property, reduce the costs associated with maintaining vacant surplus property and to formalize in statute certain existing procedures related to the purchase and sale of real estate.

Under the existing statute (CGS 4b-21), any agency that no longer has a need for state-owned real estate under its custody and control notifies OPM. Once notified, OPM solicits reuse proposals from other state agencies in order to determine if the property can be reused or if it is surplus to state needs and can be disposed of through sale.

Currently, OPM typically receives notice that an agency intends to vacate property with little, if any, advance warning. This means that the building is typically vacated by the occupying agency, often requiring the state to hire an interim property manager during the period where OPM solicits reuse proposals from other state agencies. If no state reuse is found, the property is then offered for sale to the municipality. If the municipality is not interested, then it is offered for sale to the general public. The existing process is time consuming and inefficient.

Section 1(b) of the Governor's bill would now require agencies to notify OPM six (6) months in advance of their intent to vacate the property. With this 6 month notice, OPM can solicit reuse proposals from other state agencies and, when no feasible state reuse has been identified, offer the property for sale to the local municipality or general public. It is our intention to utilize this 6 month advance notice to do all of the necessary due diligence so that when the building is vacated, it is either turned over to another agency for reuse or sold. During this 6 month advance notification period, the state would also be able to carry out its obligations under CGS 4b-47 which allows the public to comment on the proposed sale of surplus real estate.

This will ensure that state buildings are not left vacant for long periods of time while reuse proposals are solicited or the sales process is carried out.

The Governor's bill also expedites the time frame for agencies to submit reuse proposals to OPM; agencies will now have 30 days to submit such proposals; agencies currently have 90 days to submit such proposals. If, within the 30 days, DECD indicates that it wishes to use the property for low/moderate income housing, the Governor's bill allows DECD three (3) months to submit a final plan. Currently, DECD has six (6) months to submit such proposals. I believe that these expedited timelines are sufficient for an agency to determine whether or not they require the use of surplus state real estate.

To further expedite the disposition process, Section 2(a) of the bill proposes altering CGS 3-14b to reduce the time allotted to municipalities to determine their intent to purchase surplus real estate. Currently, municipalities are allotted 45 days; the bill would reduce the time frame to 30 days.

At this time, any state agency's request to purchase or sell real estate is submitted to OPM through the DPW. Section 1(a) of the bill would now formally require that such requests be submitted for OPM review and approval; in addition, any proposal to give or obtain an option in any real estate would also be submitted for OPM review and approval.

The Governor's bill also incorporates a separate DOT surplus property statute into the general surplus property statute and thereby consolidates all surplus property processes into one provision.

Thank you for the opportunity to provide you with testimony in support of this bill.